

EXHIBIT A

From: John E Cruz/HBUS/HSBC
To: Michael K Jenkins/HBUS/HSBC@HSBC02
cc: James F Young/HBUS/HSBC@HSBC02, Kishore Siva/HBUS/HSBC@HSBC02, George Matranga/HBUS/HSBC@HSBC02
Date: Tuesday, July 28, 2009 04:08PM
Subject: HSBC Security

Mike,

I reported that there is potential fraud in the East Northport Branch on or about July 15, 2009. I have not heard from you since that time. Since then additional information has been brought to my knowledge. I was going to speak to My DE, Mr. Kishore Silva, but he is on vacation this week. I decide to inform the OIC, Mr. James F Young on 07/27/09 and let him what I have learned. James F Young had me contact HSBC security, Mr. George Matranga and I scheduled a meeting on 07/28/09.

Mr. George Matranga did verify that there has been an on going investigation of the prior BM of the East Northport branch. At the present time he is investigating over 900M in fraudulent loans involving the prior BM. We also spoke about the possibility of finding additional fraud. I will be keeping him up to date if I receive any additional information.

I have not been able to sleep since I first learned that there could possibly be fraudulent accounts in my portfolio. I am requesting to be transferred back to the Nassau County Cluster of branches I previously managed, and presently working with due to the absence of a BRM.

Thank you,
John E. Cruz

EXHIBIT B

From: John E Cruz/HBUS/HSBC

To: Michael K Jenkins/HBUS/HSBC@HSBC02, Kishore Siva/HBUS/HSBC@HSBC02

Date: Friday, October 02, 2009 02:49PM

Subject: Fraud

On the advice of my attorney, he has requested that I notify HSBC immediately of illegal activities which were done by former employees of HSBC in using my name. I am sure you can appreciate that I need to protect myself from false accusation as well as protecting HSBC.

My attorney has strongly recommended I report these activities to State and Federal authorities immediately. I would appreciate HSBC's input as to how they would like me to proceed.

My employee ID# 43412194

HR Case #809807

John E. Cruz

Vice President & Sr. Business Relationship Manager

534 Broad Hollow Road, Suite # 110

631-752-4505 (B) or 631-504-9048 cell

EXHIBIT C

From: Maria A Malanga/HBUS/HSBC
To: John E Cruz/HBUS/HSBC@HSBC02

Date: Friday, October 09, 2009 09:15AM

Subject: Your Call to HR Solutions


History: ➡ This message has been forwarded.

Hi John,

I wanted to follow-up to advise you that I'm still reviewing the information you provided to me this week. I'll be back in contact with you as quickly as I can. I want to ensure that we do a thorough review of all your concerns. Thank you.

Maria

EXHIBIT D

From: Michael K Jenkins/HBUS/HSBC 
To: John E Cruz/HBUS/HSBC@HSBC02

Date: Friday, October 09, 2009 05:56PM

Subject: Closing Meeting

History: ✦ This message has been replied to.

John, we need to meet on Wednesday to close out the discussion we had with Maria Ragusa from HR.

I can do 11:00 AM or 3:30 PM. Please pick one and reply with selection, after which I will send and invite.

In addition, I need the exact details of how your performance was directly impacted per your comments on the Mid-Year EPM. Please be specific as to how the scenarios you presented impacted your ability to meet your continuing sales activities and business banking goals.

Thanks.

Michael K. Jenkins
Business Banking Market Manager | HSBC Bank USA
534 Broad Hollow Road, Suite 110 Melville, NY 11747

Phone. (631)752-4389
Fax. (917)229-0997
Email. michael.k.jenkins@us.hsbc.com

ELITE: Exceptional Leadership, Initiative, Talent, and Excellence

EXHIBIT E

From: Maria A Malanga/HBUS/HSBC
To: John E Cruz/HBUS/HSBC@HSBC02
Date: Monday, October 19, 2009 01:39PM
Subject: Confirmation of Our Discussion

Hi John,

This e-mail will confirm our conversation on October 15, 2009 regarding your complaint raised to HR Solutions on October 2, 2009. Your complaint is summarized below:

1. You expressed concern that there was fraudulent activity in the East Northport Branch and that you were uncovering more and more each day and that you reported your concerns to Security and Management but you feel that nothing is being done about it.
2. You raised a complaint with your manager and with security alleging that your notary stamp was duplicated by the former Branch Manager of the East Northport Branch and that neither your manager nor security has addressed your concern.
3. You reported a threat by a customer to your manager and security and no one got back to you.
4. A Representative of HR met with you regarding a complaint raised about you but neither HR nor your manager has gotten back to you regarding the situation.

As we discussed, a full and thorough investigation was completed regarding your complaint summarized above and the findings are as follows:

1. Security and the Management team are appropriately following through on the fraudulent activity discovered in the East Northport Branch. Please understand that you will not be advised of the specifics regarding these kinds of investigations. However, you have been advised by your manager, Michael Jenkins, that if any impact of this fraud is in any way related to accounts in your portfolio, you will not be held accountable. If you are concerned about specific examples of fraudulent activity, you need to provide those specifics to your manager for review and handling. The accounts that you see being closed at the branch are unrelated to any 'fraud' issues or to your portfolio.
2. In regard to your concern that neither Security nor your manager has gotten back to you regarding your complaint that your notary stamp was duplicated, Security requested that you send them a copy of the Police Report you filed and you failed to do so. Your manager requested that you provide specifics in regard to this allegation and you failed to do so.
3. You contacted Security regarding your complaint of a customer threat but again you failed to provide any specifics regarding the incident. Security asked that you send them an email with the specific details and you failed to do so.
4. Michael Jenkins spoke with you on October 14, 2009 and closed out the matter regarding the complaint raised against you. During our conversation you confirmed that this took place.

John, please understand that when you raise allegations of this nature, there is an expectation that you will provide the specific details to back up your claims. Failure to do so prevents us from properly investigating your complaints. It is our expectation that if you raise these types of complaints in the future that you provide the necessary details that substantiate your allegations.

If you have any further questions in regard to the complaints you raised, please feel free to contact me at 212-525-8972.

Sincerely,

Maria Malanga

EXHIBIT F

From: John E Cruz/HBUS/HSBC
To: jcruz369@gmail.com

Date: Friday, November 06, 2009 01:41PM
Subject: Fw: Possible fraud we spoke about

John E. Cruz
 Vice President & Sr. Business Relationship Manager
 534 Broad Hollow Road, Suite # 110
 631-752-4505 (B) or 631-504-9048 cell

-----Forwarded by John E Cruz/HBUS/HSBC on 11/06/2009 01:40PM -----

To: Paul E Lewis/HBUS/HSBC@HSBC02
 From: John E Cruz/HBUS/HSBC
 Date: 11/06/2009 01:40PM
 cc: Michael K Jenkins/HBUS/HSBC@HSBC02, George Matranga/HBUS/HSBC@HSBC02
 Subject: Possible fraud we spoke about

Paul,

I wnet to do a site visit and meet with this client. Client stated that she recieved a no income check loan from HSBC. They also stated that they have not have any inclome in the last three (3)years. This customer works out of NYC and the loan was done through the East Northport Branch which is know for loan that contail fraud. The provenir application is: 175730. Provenir infomation below.

I have already reported this client to security.

Application ID 175730

Business Name	LAW OFFICES OF PRASHANTHI REDDY, PLLC
Trade Name or DBA	
Application Status	Application Process Completed
Date Docs Sent to Branch	2008-10-27
AppDoc	
Decision	CounterOffer
Business Score Category	PREMIUM
Underwriter Name	ALLEN WILLIAMSON (716) 841-2743
Analyst Name	Travis Watson (716) 841-0451

[http://us-mail-clst-8.us.hsbc/mail/43412194.nsf/\(\\$Sent\)/5846BAB133EE6FD2852576660...](http://us-mail-clst-8.us.hsbc/mail/43412194.nsf/($Sent)/5846BAB133EE6FD2852576660...) 11/06/2009

Document Preparer	Cheryl Misiejuk (716) 841-1426
SBA or CMTG Analyst	
Cross Sell Amount	
Relationship Manager First Name	ANGELA
Relationship Manager Last Name	LOPEZ
Relationship Manager Title	BUSINESS SPECIALIST
Cost Center	111257
HBMD	N
This application was entered by	Branch
Rep Employee ID	43419572

John E. Cruz
Vice President & Sr. Business Relationship Manager
534 Broad Hollow Road, Suite # 110
631-752-4505 (B) or 631-504-9048 cell

Paul Lewis, stated that this account will
be closed today Per phone call

EXHIBIT G

From: John E Cruz/HBUS/HSBC
To: George Matranga/HBUS/HSBC@HSBC02
bcc: jcruz369@gmail.com

Date: Thursday, December 10, 2009 03:04PM

Subject: Meeting

George,

I need to meet with you in regard's to posible of new fraud being found.

John E. Cruz
Vice President & Sr. Business Relationship Manager
534 Broad Hollow Road, Suite # 110
631-752-4505 (B) or 631-504-9048 cell

EXHIBIT H

From: John E Cruz/HBUS/HSBC
To: John E Cruz/HBUS/HSBC@HSBC02
bcc: jcruz369@gmail.com
Date: Monday, January 11, 2010 12:47PM
Subject: FW: UNITED EXPRESS AGENCY CORP & ETS EXPRESS COF

UEA/
ETC
wiring activity

John E. Cruz
Vice President & Sr. Business Relationship Manager
534 Broad Hollow Road, Suite # 110
631-752-4505 (B) or 631-504-9048 cell

-----Forwarded by John E Cruz/HBUS/HSBC on 01/11/2010 12:47PM -----

To: John E Cruz/HBUS/HSBC@HSBC02
From: Ralph D Scannell Jr/HBUS/HSBC
Date: 01/11/2010 11:37AM
cc: Diana Huang/HBUS/HSBC@HSBC02
Subject: Fw: UNITED EXPRESS AGENCY CORP & ETS EXPRESS CORP - KYC Info requested

Good morning John,

Can you please respond to the e-mail below asap. Diana from AML is handling this case. Thanks!

Ralph Scannell Jr.
Vice President
Branch Manager
310 Larkfield Rd.
East Northport, NY 11731
(P) 631 266 1372
(F) 631 266 1827

----- Forwarded by Ralph D Scannell Jr/HBUS/HSBC on 01/11/2010 11:35 AM -----

**Diana
Huang/HBUS/HSBC**

01/11/2010 10:35 AM

To Ralph D Scannell
Jr/HBUS/HSBC@HSBC02

cc

Subject UNITED EXPRESS AGENCY CORP & ETS
EXPRESS CORP - KYC Info requested

Hi Ralph,

During our review of the subject two customers' accounts, we understood from CIF KYC screens that the subject two companies are owned by the same owner/principal (i.e. Qinkat Yin Yong -

[http://us-mail-clst-8.us.hsbc/mail/43412194.nsf/\(\\$Sent\)/D703195C304DFC85852576A80...](http://us-mail-clst-8.us.hsbc/mail/43412194.nsf/($Sent)/D703195C304DFC85852576A80...) 01/12/2010

100% owner and Chie C Yong -signer). United Express Agency Corp is in express mail service while ETS Express Corp is in shipping service. Upon our review, we need your assistance to clarify / address the following points:

For United Express Agency Corp-

1) The site visit indicated that the shipping company and office is located on 9th floor and employees, desks and etc is located on 13th floor.. Please clarify which location that the site visit was conducted. I guessed that it was done at NYC location (mailing address) because of 13th floor; however, the permanent address in CIF showed different location. Did we conduct any site visit on business permanent address?
Per mailing address in CIF, it is 270 W 39th ST #1300, NYC.
Per permanent address in CIF, it is 9203 48th Ave., 2 Fl, Elmhurst, NY 11328. Please confirm if the customer still operates in this location.

2) A/C# 007912820- Majority debits were on-line payments to American Express (in six digit amount) totaling approximately \$4.8mm from 01/09 to 12/31/09. Please clarify the types of bills payments for and why the remitter information showed Y K Yong. It seemed that the bills were paid for Y K Yong. What is the relationship of Y K Yong with the customers?

3) A/C# 257006605 - Majority of credits were from Paypal direct deposits (in five digit even amount) totaling approximately \$1.3mm during 2009. Please clarify the nature of these deposits. An outgoing wire transfer of \$30,000 was sent to Yong Whoi San, Maylaysia. Please find out the purpose of the wire and customer's relationship with the wire beneficiary.

4) A/C# 257006613 - Majority of credits from cash concentration from American Express and Global Pay (in 3 digit or 4 digit dollar amount each) totaling approximately \$423,000 during 2009. Debits were mainly cash disbursements to A/E and Global Pay and transfers to related accounts.

For ETS Express Corp-

1) The mailing address is the home address of Qinkat Yin Yong. No permanent address information on the business information screen in CIF. Per site visit, it is a home based business. Please elaborate how customer conducts shipping service from home. If it is done through Internet, please provide internet website.

2) A/C# 257011269 - Credits totaling approximately \$8.7mm during 2009 were numerous incoming wires from individuals in China and some companies in China such as Shenzhen Dong Fang Lian Qiu International Freight Co Ltd., China, deposits from Paypal and check deposits. Debits totaling approximately \$8.6mm during 2009 were outgoing wire transfers to Yong Whoi San, MY, DHL Express M SDN BHD, MY, payments to American Express and transfers to related checking account #007912820 of United Express Agency Corp. Please find out the purpose of each type of these transactions such as Paypal deposits, incoming wires, outgoing wires and payments to A/E. Please also find out the relationship with these originators in case of incoming wire transfers and with beneficiaries in case of outgoing wire transfers.

For all these transactions in the accounts of United Express Agency Corp and ETS Express Corp, will the customer be able to provide any supporting documents in case the bank requests them?

Please clarify and advise at your earliest convenience.

[http://us-mail-clst-8.us.hsbc/mail/43412194.nsf/\(SSent\)/D703195C304DFC85852576A80...](http://us-mail-clst-8.us.hsbc/mail/43412194.nsf/(SSent)/D703195C304DFC85852576A80...) 01/12/2010

Thanks.

Diana Huang

AML Retail Compliance Officer | HSBC Bank USA N.A.
10 East 40th Street, 8th floor
New York, NY 10016

Phone. 212-525-1485
Fax. 212-525-1420
Email. Diana.Huang@US.HSBC.com

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EXHIBIT I

Patricia Jorge

From: Marc Jay. Bern
Sent: Tuesday, January 12, 2010 5:34 PM
To: Patricia Jorge
Subject: FW: John Cruz



2009 E-mails to
HSBC re Account...



Jan 11 2010
e-mail.pdf



Jan 12 2010
Corrective Action ...

fyi

-----Original Message-----

From: jmsli@aol.com [mailto:jmsli@aol.com]
Sent: Tuesday, January 12, 2010 5:07 PM
To: Marc Jay. Bern
Subject: John Cruz

See attachment. John Cruz showed up in office today unexpectedly. Said that he received an e-mail instructing him to examine 2 accounts. Said he reported these 2 accounts to HSBC approximately 6 months ago as being fraudulent, and was told by HSBC Security and his manager (6 months ago), to stay away from those 2 accounts. Now, in January, 2010, Cruz claims that he received an e-mail - see attachment - telling him to investigate the same 2 accounts that he wrote about 6 months ago, and that his manager has now filed "Corrective Action" against him for not properly performing his job duties. Cruz states that via paypal millions of dollars passed through the subject 2 accounts. Cruz also states that you have prior e-mails verifying his statements. (I have also attached the prior e-mails).

Please telephone me.

Joe

The Slater Firm, P.C.
Attorneys and Counsellors At Law
445 Broad Hollow Road - Suite 334
Melville, New York 11747
Telephone No.: (631) 420-9300
Fax No.: (631) 465-7052

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Version: 9.0.725 / Virus Database: 270.14.136/2616 - Release Date: 01/12/10 02:35:00